



Department of State

TELEGRAM

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ACTION EUR-25

INFO OCT-01 AF-10 ISO-00 NEA-10 EB-11 COME-00 INT-08

SCEN-02 SCI-06 OMB-01 TRSE-00 CIAE-00 PM-07 INR-10

L-03 NSAE-00 PA-04 RSC-01 PRS-01 SPC-03 USIA-15

SAJ-01 DODE-00 H-03 NSC-10 SS-20 ACDA-19 IO-14 AID-20

DRC-01 IGA-02 /208 W

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R 111235Z DEC 73
FM AMEMBASSY VALLETTA
TO SECSTATE WASHDC 5064
INFO AMEMBASSY LONDON
AMEMBASSY ROME
AMEMBASSY TRIPOLI
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LIMITED OFFICIAL USE VALLETTA 2435

E.O. 11652: ADS DECLAS 12/11/74

TAGS: ENR MT, LY, NL

SUBJ: LIBYA OFFERS SUPPLY MALTA CRUDE

REF: A. VALLETTA 2341 B. VALLETTA 2118 (NOTAL)

1. SUMMARY. PRIME MINISTER MINTOFF ANNOUNCED IN PARLIAMENT DEC. 10 LIBYA HAS GUARANTEED MAKE AVAILABLE TO MALTA A QUANTITY OF CRUDE WHICH WILL COVER MALTA'S DOMESTIC REQUIREMENTS DURING CALENDAR YEAR 1974. GOM IS TO MAKE ARRANGEMENTS TO PROCESS THIS QUANTITY LIBYAN CRUDE IN ONE OF THE REFINERIES IN THE MEDITERRANEAN. PRICES AND TYPES OF CRUDE TO BE AGREED ON LATER THIS MONTH. END SUMMARY.

2. FOLLOWING ARE MAJOR POINTS OF MINTOFF'S STATEMENT:
CONTACTS BETWEEN LARG AND GOM LED TO SENDING OF DELEGATION MADE UP CROWN ADVOCATE GENERAL EDGAR HIZZI, MALTA ELECTRICITY BOARD
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DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY af DATE 12/11/82

RDS ☐ or XDS ☐ EXT. DATE

TS AUTH. REASON(S)

ENDORSE EXISTING MARKINGS ☒

DECLASSIFIED ☐ RELASABLE ☒

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CHAIRMAN DANNY CREMONA, MEB MANAGER LORRY CIANTAR, AND VINCENT FALZON FORM PM'S OFFICE (WHO IS ALSO A DIRECTOR OF THE NEWLY ESTABLISHED AIR MALTA AND SEA MALTA) TO LIBYA BETWEEN DEC. 5 AND 7 TO WORK OUT DETAILS WITH BREGAN PETROLEUM MARKETING COMPANY. LATTER GAVE GOM FOLLOWING ASSURANCES: "THIS IS TO CONFIRM OUR INTENT TO MAKE AVAILABLE TO THE GOM A QUANTITY OF LIBYAN CRUDE OIL BETWEEN 500,000 TO 600,000 METRIC TONS FOR DELIVERY JANUARY-DECEMBER 1974. F.O.B. PRICES AND TYPES OF CRUDE SHALL BE AGREED UPON LATER THIS MONTH OR AS EARLY AS POSSIBLE. IT IS UNDERSTOOD THAT THE ABOVE QUANTITY SHALL COVER THE REQUIREMENTS FOR THE MALTESE DOMESTIC MARKET, AND THAT THE GOM WILL MAKE THE NECESSARY ARRANGEMENTS TO PROCESS THIS QUANTITY IN ONE OF THE REFINERIES IN THE MEDITERRANEAN."

3. WHEN ASKED BY OPPOSITION MEMBER A. BORG OLIVIER DE PUGET WHETHER THIS LARG CONCESSION MEANT THAT MALTA IS NO LONGER CONSIDERED NEUTRAL IN RELATION TO ISRAEL AND THE ARABS, MINTOFF REPLIED THAT THE POLICY OF THE PRESENT GOVERNMENT WAS MADE CLEAR AT THE EUROPEAN SECURITY CONFERENCE IN HELSINKI AND IT HAS NOT CHANGED. TO WIT, THE GOM SUPPORTS UNITED NATIONS RESOLUTION NO. 242 OF NOVEMBER 1967.

4. COMMENT: MINTOFF'S STATEMENT IN PARLIAMENT FILLS IN SOME OF THE PIECES REGARDING A NUMBER OF FRAGMENTARY REPORTS (SEE REFTELS) CONCERNING THE POSSIBILITY SUPPLY BY LIBYA OF CRUDE TO MALTA FOR REFINING AT SOME NEARBY LOCATION, PRESUMABLY ITALY. THESE REPORTS INCLUDE THE DEC. 9 ISSUE OF THE ENGLISH LANGUAGE WEEKLY MEDITERRANEAN NEWS WHICH STATES LARG IS OFFERING VARIOUS TYPES OF CRUDE FOR SALE TO BIDDERS FOR MARKETING ORGANIZATIONS PREPARED TO HELP IN ECONOMIC AND DEVELOPMENT PROJECTS IN LIBYA. ACCORDING TO THIS PRESS REPORT, SALES WILL BE MADE BY THE BREGA PETROLEUM MARKETING COMPANY AND ON A ONE YEAR RENEWABLE CONTRACT BASIS WITH THE COMPANY RESERVING THE RIGHT TO ACCEPT OR REFUSE ANY OFFER. AS OF EVENING DEC. 10 ITALIAN EMBASSY UNAWARE STATUS WHATEVER NEGOTIATIONS MINTOFF MAY HAVE INITIATED WITH ITALIAN REFINERIES. GOLINO

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